


**SOURCE DOCUMENT
PROBLEM**
Problem 15-10

Use the source documents in your working papers to complete this problem.

Peachtree®
SMART GUIDE
**Step-by-Step Instructions:
Problem 15-10**

1. Select the problem set for Buzz Newsstand (Prob. 15-10).
2. Rename the company and set the system date.
3. Enter all of the purchases on account.
4. Process all debit memorandums.
5. Record all cash payments.
6. Print the following reports: Purchases Journal, Cash Disbursements Journal, Vendor Ledgers, and General Ledger.
7. Proof your work.
8. Complete the Analyze activity.
9. End the session.

**Problem 15-10 Recording and
Posting Purchases
and Cash Payment
Transactions**

Buzz Newsstand's purchases and cash payment transactions for the month of March are described below.

Instructions In your working papers:

1. Record the transactions in the general journal, page 7.
2. Post the transactions to the ledger accounts.

Date	Transactions
Mar. 1	Purchased \$5,600 in merchandise on account from ADC Publishing, Invoice 785, terms 3/15, n/45.
3	Issued Check 1400 for \$735 to Pine Forest Publications in payment of Invoice PFP98 for \$750 less a 2% cash discount of \$15.
5	Issued Check 1401 for \$275 to Rizzo's Trucking Company for transportation charges.
7	Issued Check 1402 for \$588 to Delta Press in payment of Invoice DP166 for \$600 less a 2% cash discount of \$12.
9	American Trend Publishers granted a \$100 allowance for damaged merchandise, Debit Memorandum 33.
11	Issued Check 1403 for \$3,200 to Keystone Insurance Company for the annual premium for business insurance.
15	Issued Check 1404 for \$5,432 to ADC Publishing in payment of Invoice 785 for \$5,600 less a 3% cash discount of \$168.
18	Bought \$2,800 in merchandise on account from Delta Press, Invoice DP204, terms 2/10, n/30.
22	Issued Debit Memorandum 34 to Delta Press for the return of \$300 in merchandise.
28	Paid American Trend Publishers the balance due on their account, \$800, no discount, Check 1405.
30	Bought \$120 in merchandise for cash from ADC Publishing, Check 1406.

Analyze

Calculate how much Buzz Newsstand saved in March by taking cash discounts.